WHAT IS CLAIMED:

1.   A method of managing indexed investment products via a computer
network comprising the steps of:

generating a set of portfolios, each portfolio composed of weighted

5   classes of assets and associated with a degree of loss aversion;

storing the set of portfolios in a database;

generating a set of return distributions for each portfolio for selected
investment options and horizon dates;

storing the set of return distributions in the database;

10   matching a selected portfolio with an online investor in response to degree
of loss aversion information input from the online investor; and

providing to the online investor a return distribution associated with the
selected portfolio in response to investment option and horizon date information
input from the online investor.

15   2.   The method of Claim 1 and further comprising the step of determining the
investor degree of loss aversion from information input by the investor through
an online risk questionnaire.

3.   The method of Claim 1 wherein said step of generating a set of portfolios
comprises the step of selecting an asset class mix for each portfolio as a

20   function of the moments of mean, standard deviation and kurtosis.

4.   The method of Claim 3 wherein said step of generating a set of portfolios
comprises the substep of maximizing a utility function.

5.   The method of Claim 4 wherein said substep of maximizing a utility function comprises the substep of maximizing a log utility function.

6.   The method of Claim 1 wherein said step of generating a set of return distributions comprises the substeps of:

estimating a return distribution for a first time period from a joint return distribution of the asset classes of a selected portfolio;

performing a Monte Carlo simulation from the return distribution for the first time period to generate a random path of return samples through subsequent time periods up to the horizon date; and

calculating a compounded average rate of return for the return samples taken from the random path.

7.   The method of Claim 1 wherein the computer network comprises a global computer network selected from the group comprising the Internet and the World Wide Web.

8.   The method of Claim 1 wherein the asset classes are selected from the group comprising fixed income, United States stocks, and International stocks.

9.   The method of Claim 1 wherein said step of generating a set of portfolios of weighted classes of assets and associated with a degree of loss aversion, comprises the step of generating a set of portfolios factoring in the degree of loss aversion as a secondary effect.

10.   An networked system for investing in indexed products online operable to:

select an account type from account type information input by an online user of the networked system;

select an account objective type from account objective type information input by the online user of the networked system; and

select an account portfolio for the on-line user as a function of the selected account and account objective types.

11.   The networked system of Claim 10 further operable to:

present an online account type questionnaire to the online user; and

receive the account type information from the online user in response to the account type questionnaire.

12.   The networked system of Claim 10 further operable to:

present an online account objective type questionnaire to the online user; and

receive the account objective type information from the online user in response to the account objective type questionnaire.

13.   The networked system of Claim 10 further comprising a database storing at set of optimal portfolios and operable to select the account portfolio from the set of optimal portfolios.

14.   The networked system of Claim 13 wherein each of the set of optimal portfolios is generated using the moment kurtocity.

15.   The networked system of Claim 13 wherein each of the set of optimal portfolios is generated using the moments of mean, standard deviation and kurtocity.

16.   The networked system of Claim 13 wherein each of the set of optimal portfolios is associated with a degree of loss aversion factor and the system is further operable to select the account portfolio as a function of the degree of loss aversion factor associated with a corresponding one of the optimal portfolios and a degree of loss aversion factor derived from the account objective questionnaire.

17.   The networked system of Claim 10 based at least in part on a global computer network selected from the group comprising the Internet and World Wide Web.

18.   Software for effectuating online investments comprising:

an account type selection procedure for:

displaying an account type questionnaire on an end user terminal;

receiving account type selection information input through the end user

5   terminal in response to the account type questionnaire; and

selecting an account type from a set of available account types in

response to the received account type information;

an objective type selection procedure for:

displaying an objective type questionnaire on the end user terminal;

10   receiving objective type selection information input through the end user

terminal in response to the objective type questionnaire; and

selecting an account objective type from a set of available account

objective types in response to the received objective type selection information;

and

15   an account portfolio selection procedure for selecting a portfolio from a

plurality of available portfolios as a function of the selected account type and the

selected objective type.